

DEPARTMENTAL BUDGET INFORMATION AIRPORT (10)

MISSION

The mission of the Airport Department is to provide a safe, clean, friendly, and convenient conduit to the heart of Detroit with ample facilities to serve the public and private aviation needs of Southeast Michigan.

To become the premier airport in Michigan, with fully developed self-supporting infrastructure serving a niche defined by a balance of regional air carrier, corporate, cargo, and private facilities, including a public safety complex, supporting two or more airlines and two or more successful fixed base operators (FBO's) with the best trained and customer focused staff having the best tools and technology available.

DESCRIPTION

The Airport Department operates Detroit City Airport, which encompasses approximately 300 acres of land, bounded by Gratiot and Grinnell on the south, Conner on the east, French Road on the west and Mt. Olivet Cemetery on the north. There are two runways: the East/West Runway (7/25) is 4,025 by 100 feet wide and the North/South Runway (15/33) is 5,090 feet by 100 feet wide.

The major facilities within the Airport boundaries are the Air Carrier Terminal, Executive Terminal — including 14 large Hangar Bays, 'Temporary' Terminal, triturator, ramp equipment storage building, fire station #20, 129 T-Hangars (96 small, 23 medium and 10 large) and 1,384 automobile parking spaces.

Additionally, the Department operates and maintains the City's Heliport facility located on the rooftop of Cobo Hall. Both City Airport and the Cobo Hall Heliport are vital to the City's transportation infrastructure and a key component in attracting more business, passengers and air flights to the City of Detroit.

CORE SERVICES

Neighborhood

Stabilization Improvements.

- French Road Mini-Take
- Landscaping beautification projects

Public Safety

- Airport Police continues to maintain a safe environment for users, tenants, and general public.
- Airport Operations and maintenance program continue to maintain a safe Federal Aviation Regulated operation for FAR 139 and 107.

Internal Service Program

The Airport continues to utilize effectively the Law, Finance, and Human Resources Department as a customer.

MAJOR INITIATIVES

A number of improvements and activities have occurred at Detroit City Airport during the fiscal year (2000-01).

- 1) Updating the Master Plan Phase II
- 2) Acquiring land in the Mini-Take area
- 3) Continue upgrading the airfield lighting system and security gates
- 4) Executive Terminal landscaping

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The Master plan for the Airport is currently being updated. The Airport has undertaken an economic benefit study to assess the benefits and costs of implementing the Master Plan with additional updates being considered to look at the impact of various developments in the City including casinos. Further marketing and business planning efforts will improve the airport's ability to function successfully. The Airport now owns approximately 25 parcels in the French Road Mini-Take project. Additional acquisition efforts are underway for 29 parcels. The Airport has applied for additional federal monies to continue this project, but is currently utilizing local funds to be reimbursed at a later date.

The FAA approved the airport's application for a \$1 Million to upgrade its airfield lighting system and security gates.

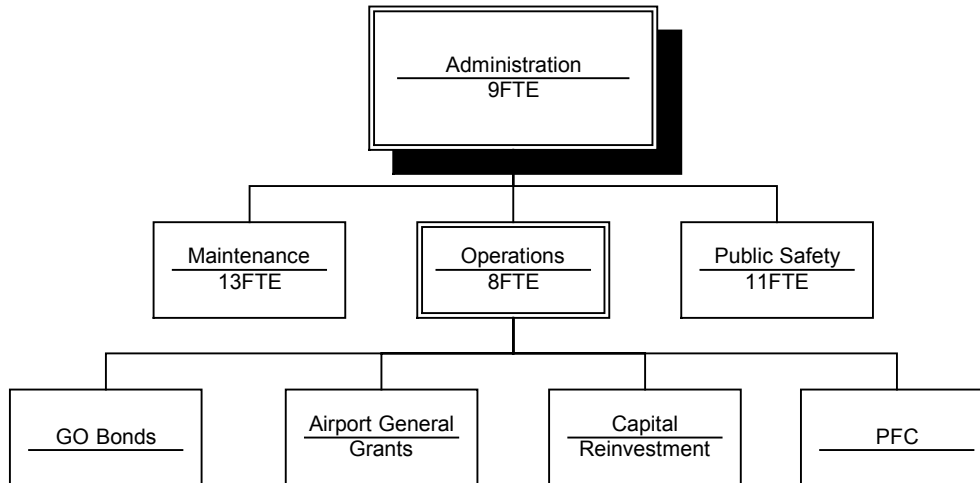
PLANNING FOR THE FUTURE

The airport's primary challenge for the next three to five years will be to address deficiencies of existing facilities, foster economic development, implement additional user-friendly improvements and move toward financial self-sufficiency

- 1) Safety - The airport is planning to correct deficiencies related to penetrations of FAA clear zones including homes in the French Road Mini-Take area. To update FAA required Airport layout plan (ALP) and to show how deficiencies will be corrected. To update land use plans both on and in vicinity of Airport to guide private investments.
- 2) Fostering economic development - Continue efforts that document the airport's ability to be a catalyst for development.
- 3) User-friendly Improvements - Maximize existing facility improvements at minimal cost. Explore opportunities for growth and functional improvements driven by airline demand.
- 4) Financially Viable - Preparation of air service marketing and business plan to show how self-sufficiency can be achieved.

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PERFORMANCE GOALS, MEASURES AND TARGETS

Goals: Measures	1999-00 Actual	2000-01 Projection	2001-02 Target
Enhance the Airport's image by improving the security and aesthetics:			
Number of incident reports	50	10 or less	8
Groundskeeping rating	8.5	9	10
Respond to tenants, users, neighbors and regulators:			
Percentage of work orders completed	N/A	85% per month	95%
Forecast & plan for future development			
Land acquisition	25 parcels	29 parcels	88 parcels
Master plan update	N/A	100% phase I	100% phase II
Reach and maintain self-sufficiency			
Annual revenue	1,952,534	1,350,000	2,147,273
State & Federal Grants	1,481,483	2,800,000	4,302,000
Attract and retain airline service:			
Number of carrier operations	7,800	1,040 per month	7,000
Passenger enplanements (no. flying out)	262,469 per year	84,500 per year	260,000
Pounds of cargo	1,852,000	2,220,000	4,000,000
Total Operations	7,850	9,500	12,000
Provide a productive work environment			
No. of participants in national seminars	18	15 per year	17 per year

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EXPENDITURES

	1999-00 Actual Expense	2000-01 Redbook	2001-02 Mayor's Budget Rec	Variance	Variance Percent
Salary & Wages	\$ 1,464,652	\$ 1,851,750	\$ 1,727,133	\$ (124,617)	-7%
Employee Benefits	356,062	880,424	865,623	(14,801)	-2%
Prof/Contractual	307,733	281,000	287,500	6,500	2%
Operating Supplies	269,524	408,930	404,580	(4,350)	-1%
Operating Services	846,931	742,885	763,634	20,749	3%
Capital Equipment	123,270	2,871,892	3,006,800	134,908	5%
Capital Outlays	38,001	75,000	50,000	(25,000)	-33%
Fixed Charges	42,209	-	-	-	0%
Other Expenses	3,906,156	3,669,767	634,270	(3,035,497)	-83%
TOTAL	\$ 7,354,538	\$ 10,781,648	\$ 7,739,540	\$ (3,042,108)	-28%
POSITIONS	35	42	41	(1)	-2%

REVENUES

	1999-00 Actual Revenue	2000-01 Redbook	2001-02 Mayor's Budget Rec	Variance	Variance Percent
Rev from Use of Assets	\$ 1,344,890	\$ 1,887,664	\$ 1,516,893	\$ (370,771)	-20%
Grants/Shared Taxes	1,056,748	3,400,000	2,500,000	(900,000)	-26%
Sales & Charges	635,444	1,588,000	1,100,400	(487,600)	-31%
Contrib/Transfers	2,216,534	1,895,984	2,062,247	166,263	9%
Miscellaneous	1,472,178	2,010,000	560,000	(1,450,000)	-72%
TOTAL	\$ 6,725,794	\$ 10,781,648	\$ 7,739,540	\$ (3,042,108)	-28%